

Action Item

*California Postsecondary Education Commission*

Approval of the Minutes of the April 8, 2003, Meeting

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# MINUTES

## *California Postsecondary Education Commission*

### Meeting of April 8, 2003

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**Commissioners  
present** Alan S. Arkatov *Chair*  
Howard Welinsky, *Vice Chair*  
George T. Caplan  
Carol Chandler  
Odessa P. Johnson  
Ralph R. Pesqueira  
Rachel E. Shetka  
Olivia K. Singh

**Commissioners  
absent**  
Irwin S. Field  
Guillermo Rodriguez, Jr.  
Evonne Seron Schulze  
Anthony M. Vitti  
Faye Washington

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**Call to order** Commission Chair Arkatov called the Tuesday, April 8, 2003, California Postsecondary Education Commission meeting to order at 9:40 a.m. at the California State Capitol, Room 113, Sacramento, California 95814.

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**Call of the roll** Chair Arkatov asked Leah DeYoung to call the roll. All Commissioners were present except Commissioners Field, Rodriguez, Vitti, Schulze, and Washington.

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**Approval  
of the minutes** Chair Arkatov called on the Commission to review the minutes and asked for approval. The Commission unanimously approved the minutes.

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**Report of the  
Chair** Chair Arkatov reported that, in the interest of time, his report was brief noting only that the next Commission meeting would center on the issue of the Supreme Court case on the use of "affirmative action" policies and procedures in the university's admission process. In turning the meeting over to the Executive Director, Chair Arkatov noted that other items that would have normally been in his report were included in Director Moore's report.

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**Report of the  
Executive Director** Director Moore reported that the Commission's current budget situation had not improved in light of the: (1) proposed reduction to \$700,000 (from \$1.9 million) for fiscal year 2002-3 in Governor Davis' January 10 budget, and (2) request from the Department of Finance that all agencies reduce their current year (2002-03) personnel costs by 10%.

Director Moore informed the Commissioners that, in testimony he made before the Assembly Budget Committee, he informed the Committee that the Commission could not operate on \$700,000. He offered that the Governor's Revised May Budget might provide a better outlook for the Commission.

Director Moore reported that the Legislative Profiles detailing information relative to K-12 and higher education in each legislative district, were being very well received, and that, in fact, the demand for copies exceeded the Commission's fiscal capabilities. Director Moore is working with staff to determine cost-effective ways to make the Profiles available to a larger number of interested parties.

With regard to future Commission meetings, Director Moore outlined the schedule of topics for the June, July, and October meetings:

*June 2003:* Access and diversity, including the ballot initiative labeled "Racial Privacy Act", the impact of Proposition 209 on diversity and access to four-year public institutions, and the upcoming Supreme Court cases (Grutter vs. Bollinger and Gratz vs. Bollinger) addressing the University of Michigan's admissions policy.

*July 2003:* The topic presented at today's meeting related to workforce issues will be continued to allow Commissioners to discuss what, if any, recommendations the Commission could make to policy makers with respect to the role of education in workforce preparation.

*October 2003:* Institutional accountability and what the State views as the goals of higher education and methods to determine if the goals are being met.

*December 2003:* The Commission will invite presenters to describe the needs of leaders for the K-12 segment.

Commissioners Pesqueira and Caplan indicated the importance of having the California State University and California Community College systems involved from the ground level in discussion of educational leadership. Director Moore responded that he and staff had intended to work collaboratively with the Statutory Advisory Committee to ensure that the effort is inclusive and well coordinated.

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**Report of the  
Statutory Advisory  
Committee**

Ron Fox, chair of the Statutory Advisory Committee (SAC), informed the Commissioners that the SAC has set up a meeting to discuss the legislative proposals to consolidate the Commission with other agencies as proposed in Assembly Bill 655 (Liu) and Senate Bill 6 (Alpert) and Senate Bill 542 (Murray). He noted also that Superintendent Jack O'Connell has written a letter supporting the Commission and its importance to the state and the systems.

Other items reported by Mr. Fox include:

- ♦ The Commission's proposal to discuss the anticipated "Racial Privacy Initiative" has the support of the SAC.
- ♦ The resignation of Thomas Nussbaum as Chancellor of the California Community College system.

- ♦ The California Community College system's receipt of a multimillion dollar grant from the Gates Foundation to improve articulation between high schools and community colleges for career-oriented preparation.
- ♦ The Department of Education's work with testing companies to realign the 11<sup>th</sup> grade test.
- ♦ The State Board of Education's receipt of a report as to whether or not there should be a delay in administering the High School Exit Exam (HSEE). A decision on the matter is expected by late May.
- ♦ For the new No Child Left Behind Act of 2001 continuing discussions between the State Department of Education and federal authorities to determine how California will meet the goal of "highly qualified teacher" by 2005 in light of the large number of individuals teaching with provisional or emergency credentials.
- ♦ The status of the dual high school/community college admissions implementation is on track.
- ♦ Timely review of proposed new joint doctoral programs.

Commissioners Pesqueira and Caplan raised the issue of the need for all high school students to be prepared to enroll in college. While recognizing that all students do not need a four-year degree, Mr. Fox, joined by Commissioner Johnson, expressed support for programs which prepared students well enough in high school to have the option to enter a "postsecondary" program -- vocational or degree focus. In addition, Commissioner Johnson pointed to the "2+2+2" model as a good example of the benefits to the State of having more students well rounded academically while also learning a viable vocational skill.

Chair Arkatov noted that the discussion was a good segue into the upcoming panel presentation on workforce issues.

Patrick Callan, Center for Higher Education, introduced the topic by describing various research which underscores the need for more individuals to attain additional education and/or technical skills beyond high school when juxtaposed with the potential earning power of those who do not or only complete high school. Mr. Callan noted:

- ♦ Unlike the past 50 years, only a small number of current or projected jobs will provide an adequate standard of living to persons with only a high school diploma or less.
- ♦ During the last 20 years, persons with high school diplomas or less have been most responsible for creating the widening income gap between poor and middle and upper class.
- ♦ While we debate the value of postsecondary education, research shows that states can make adjustments when their own citizens lack the educational attainment deemed necessary for business and industry: They look beyond U.S. borders for their workforce.

- ◆ The United States is fifth in the world for degree completions.
- ◆ Public opinion suggests that a focus is changing from the piece of paper (credential) to assessment of acquisition of knowledge and skills.
- ◆ While institutions are discussing how to better articulate, students are finding ways to accomplish this in spite of the lack of public policy and agreement among institutions. It is, therefore, imperative that institutions “catch-up” with students and the public-at-large.
- ◆ There are good examples among states where state policy and higher education systems are moving all students in the direction of obtaining two years’ of “training” in some vocational field.
- ◆ While meeting the needs of the state’s workforce and providing access to better jobs and vocations, it is important that higher education not lose sight of the greater good serve to society when all of its citizens have access to and expanded opportunities in our systems of higher education.

When posed the question as to how and what he would propose to change to accomplish some of these goals, Mr. Callan noted that, while the current structure has been successful in the past, what now exists no longer responds to current needs. Current structures – organizations and financing – don’t enhance responsiveness and limit more imaginative ways to respond to student and public needs.

Presenter Roman Stearns, Special Assistant to the Director of Admissions, Office of the President, University of California, provided a brief background as to his interest in this subject emanating from his work in the admissions area for the University of California.

Mr. Stearns noted:

- ◆ Perception through the years that courses are either academic or career-oriented is not accurate and while some courses are more academic or vocational than others, high school courses are more a continuum than a dichotomy. Essentially, most courses fall somewhere in the “middle”.
- ◆ California high schools tend to track students into either college preparatory or vocational paths.
- ◆ All students graduating from high school should be prepared for both college and careers.
- ◆ The University of California has been working with schools to design career-technical education academically rigorous curriculum to meet the University’s and the California State University “a-g” subject area requirements. Examples: a woodshop course designed to teach geometry; an auto mechanics curriculum designed to be an appropriate laboratory environment to teach physics; and a nutrition class to provide the context for teaching biochemistry.

- ♦ There are structural barriers and differences that present obstacles to achieving more career/technical courses, such as (1) course offerings are held in different facilities and (2) standards, credentialing process and assessment differ for teachers in the two areas. These barriers must first be overcome to achieve the goal to simultaneously prepare high school graduates for the options to pursue postsecondary education and career training.

Mr. Stearns noted the need for the State to assess if the balance of roles played by the three public postsecondary segments is adequate to address California's workforce needs. He closed by stating that CPEC might want to conduct a study to determine current/future needs in various industry sectors and compare those needs to the number of students completing majors/programs in those areas to determine if workforce preparation needs in California are aligned with students currently enrolled in majors/programs.

Barbara Nemko, Deputy Superintendent, Napa School District, stated that too little is being done for students not preparing for college. Ms. Nemko shared the following data and feedback from students and teachers:

- ♦ Counseling services and special programs in high schools are disproportionately designed for only those students identified as "college-bound".
- ♦ The push to make all students "college-bound" often leaves students in general or career/vocational areas feeling that they are "less than".
- ♦ Thirty-one (31) percent of students leaving high school can't be located in either a job or school; sixty-three (63) percent are "pushed" to go to college.
- ♦ Ninety (90) percent of all high school students state that subjects in school would be more interesting if they were "tied to a real career".
- ♦ The significant number of four-year degree holders who return to a community college or other "technical skill" program, demonstrating the incongruity with our resource distribution -- materials, staff, buildings, etc. -- and the current labor market.
- ♦ Napa High School of Technology, although still in its infancy, has data to demonstrate how a balanced academic and vocational program at the secondary level can yield a significant number of high school graduates with the skill sets to work in higher paying technology fields.

Ms. Nemko extended an invitation to the Commissioners to visit Napa High School of Technology.

Ms. Nemko concluded her comments by urging the Commission to continue the important dialogue on workforce issues.

Paul Gussman, Deputy Director, California Workforce Investment Board, indicated that he is able to see a larger picture having worked in both K-12 and higher education for over 25 years. He provided the following findings and concerns related to workforce preparation:

- ◆ Education is tied to workforce preparation and, in turn, workforce preparation is intrinsically tied to economic development.
- ◆ California is too diverse to enact policy writ-large. As a result, analysis and policy should be driven by “regional” needs.
- ◆ As small businesses dominate California’s economy, more employees will be required who can think critically and independently.
- ◆ While we have higher education systems to provide students with “a second-chance”, the goal should be to provide curriculum and programs that will prepare all students for studies beyond high school.
- ◆ Current workforce preparation forecasting studies and feedback from business and industry stress that college and non-college bound need the same skills and knowledge.
- ◆ The challenge to accomplish the goal can only be met when educators implement “different” models to engage and retain a larger number of high school students.
- ◆ “Apprenticeship” is no longer the a dominant workforce training route for persons not completing high school, thereby resulting in fewer opportunities to learn a trade and/or skill that will lead to higher paying jobs/profession.
- ◆ Skills needs to be transferable, as demonstrated by closure of entire industries with employees unable to transfer skills to another setting/industry.

After discussion between the Commissioners and the panel, there was general agreement that the subject did require more discussion and information. Chair Arkatov noted that there was the need to: (1) improve counseling for all students; (2) develop better approaches to connect academics and careers for all students; (3) collect better data on the students who do not attend a postsecondary institution after high school; (4) recognize that students with degrees return to school in order to learn a “skill” and what that may portend for the way in which our public systems are organized; and (5) work collaboratively to align standards with skills to enhance employment opportunities for those students who -- for whatever reason -- elect to work immediately after graduating high school.

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**Senate Bill 655** Bruce Hamlett, Senior Consultant, Assembly Higher Education Committee, reviewed Senate Bill 655 (Liu) which, as proposed, will place under one authority the activities and regulatory responsibilities currently assigned to the California Student Aid Commission (CSAC), the Bureau for Private Postsecondary Education (CBPPVE), and CPEC.

Mr. Hamlett indicated that SB 655 is a two-year bill which will give the Committee time to receive extended feedback from the organizations cited in the Bill and other interested parties. When asked about the impediments to achieving consolidation, Mr. Hamlett stated his intent to meet with various constituencies and interested groups and focus solely on the “merits” of the proposal—what is in the best interest of the State and students.



He indicated that he recognized the inevitable territoriality that might ensue, but felt that those things would be worked out once a solid plan and timetable were put into place. Mr. Hamlett advised the Commissioners of a hearing on April 22 to provide an opportunity the organizations and other interested parties to provide comments and testimony on the proposed bill.

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**Commission review  
of a proposal by  
California State  
University,  
Bakersfield to  
establish the  
CSUB Antelope  
Valley Educational  
Center**

Chair Arkatov called on Mr. Stacy Wilson from the Commission staff to present this report. Mr. Wilson provided background on the proposal. Mr. Wilson noted that California State University, Bakersfield (CSUB) has operated this off-campus center on the campus of Antelope Valley Community College since 1996. He stated that the center currently serves the growing populations of northern Los Angeles and southern Kern Counties. Mr. Wilson noted that the center has experienced large increases in enrollments in recent years.

Mr. Wilson stated that the proposal acknowledges the fact that this off-campus center is interim in nature and that within the next ten years the center will outgrow its current space and will need to relocate to another site somewhere in the vicinity. Further, he noted that since there are certain requirements for Commission review that CSUB has yet to complete, the Commission has utilized a modified process to review this proposal. Mr. Wilson continued that he had carefully reviewed the proposal and agreed with the need for the center. He noted that since the need for this center was evident and compelling, but that the proposal still lacks some required information, two conditions would be attached to his staff recommendation for approval:

- ♦ The Department of Finance must approve the enrollment demand projections contained in the CSUB Antelope Valley Educational Center proposal; and
- ♦ When an alternate permanent site for the center is identified, CSUB must conduct a new “Needs Study” and submit it to the Commission for review and approval, as is the case for the current proposal.

With those conditions, Mr. Wilson recommended that the Commission approve the establishment of the Antelope Valley Educational Center as a State-approved education center.

Mr. James George, Provost and Vice President for Academic Affairs at CSU Bakersfield, then spoke in support of the center. He provided some history on the center and said that representatives from the surrounding cities of Lancaster and Palmdale were providing support to the Center.

Commissioners Arkatov and Welinsky asked questions about the service area and future plans for a permanent site for the Antelope Valley Center. Mr. George described the demographics of the area and stated that the population in the service area is growing. He said CSU Bakersfield had been working with representatives from Antelope Valley Community College and that the college had agreed to provide the center additional space while the center considers a permanent site.

Commissioners Pesqueira and Shetka spoke in support of the proposed Antelope Valley Center, noting that it will improve access to underserved students and better facilitate the transfer of community college students to the CSU.

Chair Arkatov called for a motion on the item and on a motion to approve by Commissioner Pesqueira, seconded by Commissioner Chandler, the Commission approved the establishment of the Antelope Valley Educational Center as a State-approved education center of CSU Bakersfield.

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**Legislative  
Update, April 2003**

Chair Arkatov called on Ms. Marge Chisholm from the Commission staff to present this report. Ms. Chisholm provided background on the item, directing Commissioners to the matrix of legislation in the report that the Commission is following during the current legislative session. She noted that the Commission's Governmental Relations Committee had met on March 11, 2003, to discuss proposed legislation and had approved Commission positions on legislation of interest, as contained in the report.

Commissioners Pesqueira and Johnson expressed concern about a provision in Assembly Bill 550 (Diaz) that requires the systems to obtain the approval of student groups in setting student fee levels. Commissioner Washington noted that the bill is mostly based on the Commission's recently adopted report on long-term student fee policies for the California State University and the University of California. Commissioner Washington and Ms. Chisholm suggested that the Commission change its position on AB 550 from "Support in Concept" to "Watch" and work with the author on the provision in question.

Commissioner Johnson inquired about AB 655 (Liu). Director Moore responded that the Governmental Relations Committees of the Postsecondary Education Commission and the Student Aid Commission would be meeting to discuss this bill.

Ms. Chisholm then briefly summarized provisions of AB 680, also by Assemblywoman Liu, that deals with student fee levels in the California Community Colleges. Commissioner Washington suggested that the Commission take a "Watch" position on this bill.

With those revisions to the report, Chair Arkatov called for a motion on the item and on a motion to approve by Commissioner Chandler, seconded by Commissioner Arkatov, the Commission approved the Committee's recommended positions on the legislation.

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**Faculty salaries  
at California's  
public universities,  
2003-04**

Chair Arkatov called on staff member Mr. Murray Haberman to present this report. Mr. Haberman provided background on the item, noting that it was first presented to the Commission at its February meeting for information and was now before them as an action item. Mr. Haberman said that information had now been received for all twenty comparisons institutions for the California State University and all eight comparison institutions for the University of California. He said that the projected faculty salary parity numbers had changed only fractionally for each system with these complete data from what had been reported earlier.

Mr. Haberman said that for the upcoming 2003-04 fiscal year, the projected faculty salary parity lag for the California State University was 11.6% and for the University of

California the projected lag was 8.8 percent and that the current year (2002-03) lag for the California State University was 7.7% and for the University of California it was 9.1%.

Commissioner Pesqueira spoke about the State University's faculty salary comparison institutions and methodology and said that it was his view that the list of institutions needed to be changed to include institutions that better reflected the State University's mission. He said that the current list includes universities that are not similar to the State University and, thus, this comparison methodology always makes State University faculty salaries appear low.

Mr. Haberman replied that the Commission has the power to reconvene the workgroup that assists in making revisions to the faculty salary methodology. He noted that such a project would be a major undertaking and, based upon the last few times the methodology had been studied and changed, this would be very labor intensive for the Commission.

Chair Arkatov called for a motion on the item and on a motion to approve by Commissioner Welinsky, seconded by Commissioner Chandler, the Commission approved for final transmittal of the annual report on faculty.

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**Commission review  
of a proposal by  
the State Center  
Community  
College District to  
establish the  
Willow-  
International  
Educational Center**

Chair Arkatov called on Mr. Stacy Wilson from the Commission staff to present this report. Mr. Wilson provided background on the proposed Willow-International Educational Center, noting that the item had been presented to the Commission for information at its February 2003 meeting. He stated that the State Center Community College District had responded to the preliminary questions raised by the Commissioners and staff and that the item reflected this additional information. With these changes, Mr. Wilson recommended Commission approval of the proposal.

Mr. Terry Kershaw, Interim Vice-Chancellor for Education Services at the State Center District, spoke briefly in support of the center. In response to a question by Commissioner Pesqueira, he noted that the proposal meets all applicable environmental regulations.

Commissioner Johnson complimented the center's vocational education offerings and asked about the extent to which it will include general education offerings.

Mr. Kershaw responded that most of the students attending the center were transfer-bound and that the center planned to maintain its focus on transfer and add occupational programs.

Chair Arkatov called for a motion on the item and on a motion to approve by Commissioner Singh, seconded by Commissioner Washington, the Commission approved the establishment of the Willow-International Educational Center as a State-approved center of the State Center Community College District.

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**A regional study of  
undergraduate  
enrollment demand  
and institutional  
capacity at the  
University of  
California**

Chair Arkatov called on Mr. Stacy Wilson from the Commission staff to present this report. Mr. Wilson provided background on the study and presented updated enrollment projections for the University of California through the year 2010. He noted that Commission staff had presented similar enrollment demand and capacity studies to the Commission for the California Community College and the California State University. Mr. Wilson said that Commission staff next wants to examine enrollment demand and capacity at the State's independent institutions. He concluded by noting that the enrollment model that was created to facilitate this work can be used to support long-range enrollment planning.

Commissioner Welinsky referred to Display 1 in the report and asked Mr. Wilson if these new data replace the Commission's earlier projection of 714,000 additional students between 1998 and 2010. Mr. Wilson replied that these new projections do replace the earlier ones and that Commission staff will publish a report finalizing these new enrollment projections in June.

Chair Arkatov made a motion to approve the report, seconded by Commissioner Welinsky, and the Commission approved the Regional Study of Undergraduate Enrollment Demand and Institutional Capacity at the University of California.

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**Commission  
recommendations  
concerning  
alternative  
delivery options  
for the State's Cal  
Grant Program**

Chair Arkatov called on Mr. Karl Engelbach from the Commission staff to present this report. Mr. Engelbach provided background on the report, noting that the item had been presented to the Commission at its February 2003 meeting. Mr. Engelbach noted that the item had been changed to include suggestions made by the Commission at the prior meeting and that a draft of the final item had been sent to the Legislature in February to meet the deadline for transmitting this report.

Mr. Engelbach said that a bill introduced by Assemblywoman Hannah-Beth Jackson seeks to implement the recommendations of the report and calls for the decentralization of the Cal Grant program, effective in January 2007.

Chair Arkatov called for a motion on the item and on a motion to approve by Commissioner Caplan, seconded by Commissioner Washington, the Commission approved for final transmittal the Commission's report Recommendations Concerning Alternative Delivery Options for the State's Cal Grant Program.

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**Other business**

Commissioner Singh said that the June meeting of the Commission should include a discussion of the State Budget, since the Governor's May Revision of the budget will have been presented to the Legislature by that time.

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**Adjournment**

There being no further business, the Chair called for adjournment of the meeting at 2:35 p.m.

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